

STATE OF MICHIGAN
DESCRIPTIONS OF SPECIAL REVENUE FUNDS - REGULATORY AND ADMINISTRATIVE RELATED
FISCAL YEAR ENDED SEPTEMBER 30, 2000

MICHIGAN EMPLOYMENT SECURITY ACT - ADMINISTRATION FUND

Public Act 1 of 1936 (Extra Session) created this fund to account for administrative costs of the Unemployment Agency and the Employment Services Agency. Effective February 6, 1998, the Department of Consumer and Industry Services administers the Unemployment Agency and the Department of Career Development administers the Employment Services Agency. The fund derives most of its revenue from federal grants. It also receives transfers from the Michigan Employment Security Act Contingent Fund (an expendable trust fund). Expenditures for administration are subject to legislative appropriation.

Unemployment benefit payments to individuals are made directly from trust funds accumulated from employer premium payments. These activities are reported in the Michigan Unemployment Compensation Fund (an expendable trust fund).

SAFETY EDUCATION AND TRAINING FUND

Public Act 154 of 1974, as amended, imposes an annual levy on each insurance carrier licensed to do workers' disability compensation business in the State and on each self-insured employer. Public Act 24 of 1977 provided for the establishment of the Safety Education and Training Fund to receive these assessments for support of the Department of Consumer and Industry Service=s Safety Education and Training Division.

UNINSURED EMPLOYERS= SECURITY FUND

Under P.A. 198 of 1993, this fund succeeded the former Workplace Health and Safety Fund. This fund provides workers= compensation benefits to employees injured on or after June 29, 1990 (and for related claims administration), where their employer failed to provide coverage for them. This fund recorded an equity transfer of \$21.7 million to the General Fund in fiscal year 1999-2000. This transfer was made to close the fund in accordance with P.A. 357 of 1996. Sufficient equity in common cash was retained to cover the remaining liabilities.

STATE CONSTRUCTION CODE FUND

The State Construction Code Fund was created by P.A. 230 of 1972, as amended. Fees received for building permit applications and other funds collected under this act are appropriated by the Legislature for the operation of the Department of Consumer and Industry Service=s Bureau of Construction Codes and related indirect overhead expenditures.

HOMEOWNER CONSTRUCTION LIEN RECOVERY FUND

The Homeowner Construction Lien Recovery Fund was established by P.A. 497 of 1980 to allow contractors, subcontractors, suppliers, and laborers to collect payments for work done if they have not been paid despite filing a residential lien. The fund is self-sustaining and is financed by fees assessed on builders, electrical and plumbing contractors, and laborers.

STATE CASINO GAMING FUND

This fund was created by P.A. 69 of 1997 to provide for the licensing, regulation and control of casino gaming activities in Michigan. The 5-member gaming control board is vested with the authority for licensing, regulating, and controlling casino gaming operations; manufacturers and distributors of gaming equipment and supplies; and persons who participate in gaming. Activities financed by casino gaming revenue are legally restricted for specific purposes.